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China, Peoples Republic of

Agricultural Situation

Newsflash

2006

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Report Highlights:

This report provides a news synopsis of trade policy and agriculture/commodities in China.

Trade policy news includes: China's ban on Sudan and Hungary poultry products.

Agriculture/commodities news includes: China's most recent HPAI outbreaks; China's gradual increase in direct subsidies for agriculture; Chinese Center for Animal Epidemic Prevention and Control in operation; 147 Xinjiang enterprises to join the cotton classification reform; first half of 2006 heralding new investments for Xinjiang Textile Sector.

Includes PSD Changes: No
Includes Trade Matrix: No
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Trade Policy

China bans poultry imports from Sudan and Hungary

On June 19, 2006, the Chinese Ministry of Agriculture (MOA) and the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) jointly announced a ban on the importation of poultry products from Sudan and Hungary due to outbreaks of highly pathogenic avian influenza (HPAI) in the two countries. (The People's Daily, 6/21/2006, ZJP)

Agriculture/Commodities

HPAI Outbreaks in China

MOA notified the USDA/FAS Beijing Office on June 19 and June 20, 2006, that the National Avian Influenza (AI) Reference Laboratory confirmed on June 17 it had isolated the virus of HPAI, H5N1 strain, from chicken materials presented by Changzi County, Shanxi Province. Up until June 20, 2006, there have been six outbreaks of HPAI, H5N1 strain, on individual household farms in Nanchuan Village, Beiliuzhuang Village, Shijiazhuang Village, Dongchang Village, Qianxichang Village, and Houxichang Village in Changzi County. 1.47 million birds altogether were culled. (MOA Notification, 6/19-20/2006, ZJP)

China to gradually increase direct subsidies for agriculture and farmers

The Chinese government will gradually shift its indirect subsidies for distribution to direct subsidies for agriculture and farmers, including direct subsidies for grain growers, seed and farming machinery purchases, and subsidies for other production related materials, according to Vice Minister of Agriculture Fan Xiaojian. Fan added that challenges facing the current subsidy policy include insufficient funds, unbalanced structure, small scope and lack of sustainable growth in funding. In 2005, these subsidies totaled 17.8 billion yuan. (MOA Notification, 6/21/06, WBG)

Chinese Center for Animal Epidemic Prevention and Control in operation

The National Center for Animal Epidemic Prevention and Control was officially put into operation on June 16. The main responsibilities of the center include: (1) assisting local institutes to directly implement animal disease prevention and control, prediction and warning, and eradication; (2) providing technical guidance and training; (3) establishing networks for epidemic reporting, veterinary databases, fast responses, and traceability. (MOA Notification, 6/16/06, WBG)

147 Xinjiang enterprises expected to join the cotton classification reform

According to the Xinjiang provincial government, 147 local enterprises will complete the renovation to meet the requirement of the new cotton classification system before July 15, 2006. Out of the 147 enterprises, 74 are attached to the Cotton and Jute Bureau system, and 12 have gins involved in seed producing. These enterprises will have to install standardized baling machines and bar code systems. (China Textile News, 6/21/06, WXP)

Xinjiang Textile Sector attracted new investments in first half of 2006

In 2006, Xinjiang Textile Sector attracted new investments of more than \$125 million from the coastal regions. The investors are from Zhejiang, Jiangsu and Hong Kong. The new investments will concentrate on spinning in cotton-producing regions including Akasu, Hami and Kuaitong. (China Textile News, 06/21/06, WXP)